



County Technical Assistance Service  
INSTITUTE *for* PUBLIC SERVICE

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## Guidance on Section 7005 of FFCRA

Section 7005(a) of the Families First Coronavirus Response Act (FFCRA) stipulates that any wages that are required to be paid by reason of the Emergency Paid Sick Leave Act and the Emergency Family and Medical Leave Expansion Act shall not be considered wages for purposes of the employer social security portion of the FICA tax. In other words, employers (including government employers) are not required to make the matching contribution (6.2%) of the social security tax when paying an employee for leave under either of the provisions located in the act. However, employers are required to make the matching Medicare contribution (1.45%).

While the law provides for tax credits for private employers in the amount of the Medicare contributions that are made (Sections 7001-7004), those provisions do not apply to public sector employers currently.

Please keep in mind that the employee share of both social security and Medicare are still required to be withheld for wages paid under the FFCRA.

Please see the FAQ located at the following link for discussion of more complicated scenarios of the tax provisions of the FFCRA: <https://canons.sog.unc.edu/which-tax-and-retirement-deductions-must-be-taken-from-ffcra-emergency-paid-leave/>.